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Chairman

August 8, 2003

The Honorable Ulysses Currie, Chairman
Senate Budget and Taxation Committee
3 West Miller Senate Building
Annapolis MD 21401-1991

The Honorable Howard P. Rawlings, Chairman
House Appropriations Committee
130 Lowe House Office Building
Annapolis MD 21401-1991

Dear Senator Currie and Delegate Rawlings:

Language in the 2004 budget bill restricts the expenditure of \$5.5 million in general funds designated for the enhancement of the State's four historically black institutions (HBI) until the Maryland Higher Education Commission submits a report to the budget committees that outlines how these funds will be spent. The attached report is in response to that requirement and the Maryland Higher Education Commission is requesting the release of these funds.

If you have additional questions, please do not hesitate to contact me (410) 260-4566, e-mail, jsabatin@mhec.state.md.us, or Janice Doyle, Assistant Secretary for Finance Policy at (410) 260-4537, e-mail, jdoyle@mhec.state.md.us.

Sincerely,

Dr. John A. Sabatini, Jr.
Acting Secretary of Higher Education

Enclosure

cc: Senator Patrick J. Hogan
Delegate James E. Proctor, Jr.
Mr. James C. DiPaula, Secretary, Department of Budget and Management
Dr. William E. Kirwan, Chancellor, University System of Maryland
Dr. Calvin W. Lowe, President, Bowie State University
Dr. Thelma B. Thompson, President, University of Maryland Eastern Shore
Dr. Stanley F. Battle, President, Coppin State College
Dr. Earl S. Richardson, President, Morgan State University
Ms. M. Kathleen Gardiner, Department of Legislative Services

MARYLAND HIGHER EDUCATION COMMISSION

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MHEC

MARYLAND HIGHER EDUCATION COMMISSION

A PROPOSAL FOR THE DISBURSEMENT OF ENHANCEMENT FUNDS FOR MARYLAND'S FOUR PUBLIC HISTORICALLY BLACK INSTITUTIONS

Prepared By:

Maryland Higher Education Commission
Division of Finance Policy

As Requested by the
Report of the Chairmen of the
Senate Budget and Taxation Committee
And
House Appropriations Committee

2003 Session of
The Maryland General Assembly
Page 191

John J. Oliver, Jr.
Chairman

Dr. John A. Sabatini, Jr.
Acting Secretary

August 2003

A PROPOSAL FOR THE DISBURSEMENT
OF ENHANCEMENT FUNDS FOR
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HISTORICALLY BLACK INSTITUTIONS

AUGUST 2003

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INTRODUCTION

The 2003 Joint Chairmen's report requires the Maryland Higher Education Commission to submit a report that outlines how Maryland's four public historically black institutions will spend \$5.5 million in enhancement funds. The language of the Committee Narrative is as follows:

...Provided that the \$5,500,000 in general funds designated to enhance the State's four public historically black institutions may not be expended until the Maryland Higher Education Commission submits a report to the budget committees outlining how the funds will be spent. The budget committees shall have 45 days to review and comment on the report.

This report addresses the committees' concerns by identifying how Maryland's four public historically black institutions plan to spend funds designated for enhancement.

BACKGROUND

In December 2000, the State of Maryland entered into a partnership agreement with the United States Department of Education, Office for Civil Rights (OCR) to eliminate any remaining vestiges of segregation in Maryland's public colleges and universities. This agreement makes specific commitments to enhance the State's four historically black institutions (HBIs): Bowie State University, Coppin State College, the University of Maryland Eastern Shore, and Morgan State University. This agreement establishes a set of priorities designed to enhance the State's HBIs. These priorities include: enhancing admissions management, student financial aid administration, and institutional development programs; ensuring that funding is consistent with the mix and degree level of academic programs; ensuring that funding supports the development of research infrastructure and enhances students' quality of campus life; improving the physical characteristics of the campus environments; improving the quality and adequacy of facilities necessary to support the missions and programs of the institutions; and improving the infrastructure, appearance and security of the HBIs.

As part of this agreement, the State established the Historically Black Colleges and Universities Enhancement Fund. This initiative includes a cumulative authorization of \$75 million in Academic Revenue Bonds (ARBs) over a five-year period (between fiscal year 2003 and fiscal year 2007) to fund capital facility projects and improvements at the HBIs. Over the next 20 years, the State has committed to pay the debt service on these bonds until the debt is retired. The amount of funds dedicated to pay the debt service will increase gradually over the next five years to \$6 million annually. When only a portion of funds is needed to pay the debt service, funds will be available for enhancements.

For fiscal year 2004, the Maryland General Assembly approved a total of \$5.5 million in enhancement funds for Maryland's HBIs with the intent that Maryland Higher Education Commission would allocate these funds to all four public HBIs. For fiscal year 2004, funds are available for debt service for HBI capital projects funded by ARBs and one-time operating expenditures.

The fiscal year 2004 budget bill restricts the expenditure of these funds until the Maryland Higher Education Commission submits a report to the budget committees detailing how these funds will be spent. To assist the Commission in allocating these funds and providing the required report to the budget committees, each HBI submitted enhancement proposals to the Commission (see Appendix A).

PROPOSAL

After a thorough review of each enhancement request, the Commission believes that this funding proposal represents a fair and equitable distribution of funds to address the needs of each institution.

The Commission will allocate \$2.125 million of the enhancement funds to Coppin State College to support the college in advancing strategies to address the needs of the institution. An independent study of the college, which was mandated by the OCR Partnership Agreement and published in September 2001, identified an array of operating and facility-related deficiencies. Based on the findings of this study, funds are needed to revitalize the college's academic, financial, information technology, and student support systems. In addition, new construction and facility rehabilitation are required to eliminate current deficiencies, provide safe, efficient, state-of-the art facilities and to provide sufficient space for expansion. The enhancement funds will be used to improve enrollment and financial aid services; to complete pre-design services for the construction and renovation of new facilities; to upgrade student and administrative computing systems; to restructure and strengthen academic programs; and to increase external fund raising.

The Commission will allocate \$346,031 of the enhancement funds to Morgan State University to reimburse the institution for debt service payments associated with the academic revenue bonds issued for the boiler plant project. Appendix B shows the debt service payment schedule for the university.

The remaining \$3.03 million will be allocated to Bowie State University, the University of Maryland Eastern Shore and Morgan State University based on the following methodology:

- Equal distribution (50 percent of the remaining funds);
- Funding guideline attainment (25 percent of the remaining funds) and;
- Proportion of full-time equivalent (FTE) students enrolled at each institution (25 percent of the remaining funds).

The proposed allocation recognizes the enhancement of Coppin State College as a top priority under the OCR Partnership Agreement. In addition, this allocation provides funds based on enhancements that reflect both fixed and variable costs at the HBIs and also considers each institution's relative status of funding based on the funding guidelines. These funds will be used to enhance academic programs, admissions and enrollment management, institutional financial aid management, and technology infrastructure. Table 1 below shows the allocation of the enhancement funds to each institution.

Table 1. OCR Enhancement Fund Distribution: FY 2004

Institution	Amount	Percent of Total
Bowie State University	\$ 1,118,799	20%
Coppin State College	2,125,000	39%
UM Eastern Shore	850,763	16%
Morgan State University	1,059,407	19%
Morgan State University-Debt Service	346,031	6%
Total	\$ 5,500,000	100%

At the end of fiscal year 2004, each institution is required to submit a report to the Commission that specifically outlines how these funds were spent during the fiscal year. The reports are due September 1, 2004.

APPENDIX A



Prepare for Life

Dr. Calvin W. Lowe
President

July 7, 2003

Karen Johnson, J.D.
Secretary of Higher Education
839 Bestgate Rd. Suite 400
Annapolis, MD 21401-3013

Dear Secretary Johnson:

Please find enclosed the Bowie State University proposal for the use of OCR-FY04 enhancement funds. The funds are allocated to the four areas identified below, Institutional Advancement, Academic Programs, Facilities and Student Services:

Bowie State University

INTRODUCTION

The *Partnership Agreement between the State of Maryland and the U.S. Department of Education, Office of Civil Rights* (hereafter referred to as *Agreement*) states that enhancement initiatives for the State's HBCUs "...should be designed to ensure that these institutions provide equal opportunity for a quality education to all students who choose to attend and to enable them to compete for and be attractive to students regardless of race." These initiatives should include "the expanse, functionality, and architectural quality of physical facilities and funding to support students' quality of life." Moreover, another *Agreement* commitment states that the quality of academic program supports should be comparable to those at the TWIs.

In short, in order to attract, retain, and graduate a diverse group of students, the University must have accredited programs; library resources that meet accreditation standards; adequate discipline-specific laboratories for student application and experimentation; resources that support student development in performances and publications (and thereby contribute to the quality of campus life), and adequate support services for beyond the classroom student development and retention. The University's request for funding enhancement is in keeping with the *Agreement's* commitment to make the "...HBCUs ...comparable and competitive with the TWIs in all facets of their operations and programs...."

In addition to the enhancement of academic programs, Bowie State University seeks to enhance the effectiveness of Institutional Advancement. As an outgrowth of the *Agreement*, Marts & Lundy performed a best practices study and needs assessment at each HBCU. The Bowie State University report found in excess of \$700,000 of funding needs in the division of Institutional Advancement. Among the recommendations proffered, the proposed FY04 OCR expenditures will address the following identified needs:

- "... enhancing the Institutional Advancement operations budget by as much as \$100,000 for, especially advertising, marketing, publications, staff development, and essential travel related to cultivation efforts ..."
- "... establish greater concentration of all staff on the centrality of private fund-raising."

In spite of the recommendations of Marts and Lundy to implement systemic changes with recurring expenditures and added personnel, we will attempt to meet the enunciated objectives with one-time allotment described below.

◆ **Enhancement of Institutional Advancement**

1. This area of enhancement supports the development of the underlying foundation of increased external university support. This will be accomplished by increased publication and marketing efforts, to include public relations consultants, fund raising consultants and promotional items. The objective is to increase corporate contributions, as well as alumni and planned giving. **\$300,000**

◆ **Academic Program Enhancements**

1. **Library Enhancement:** Funds will be used to assist the Library in meeting the ever-growing demand by undergraduate and graduate students for print and electronic journals and periodicals, including recurring serials. The initiative is critical to the reaffirmation and initial accreditation of academic programs. **\$420,000**
2. **NCATE Accreditation Activities:** Funds will be used to support the mock (Fall 2003) and site (Spring 2004) visits for the elementary and secondary education programs. Funding will cover expenses for the NCATE Teams, upgrade of the NCATE Document Room, and learning laboratories upgrades. **\$125,000**

◆ **Academic Programming Facilities**

1. **Psycho-physiological Laboratory:** Funds will be used to create a state-of-the-art biofeedback laboratory to increase the Psychology Department's capacity to produce students with enhanced research and technological skills; ready more students for graduate school; increase student participation at local and national conferences. The Laboratory will provide students a hands-on psychological and physiological learning environment. **\$30,000**
2. **Clinical Learning Laboratory:** Funds will be used to institute a clinical laboratory to facilitate the learning experiences of students in the generic, RN to BSN, and MSN nursing programs. This clinical laboratory would facilitate the retention of nursing students who must demonstrate skills learned in a simulated setting. **\$25,000**

3. **Newspaper Laboratory:** Funds will be used to establish a laboratory that will enable the infusion of technology into the learning experiences for journalism majors, to increase their competitive edge. **\$25,000**
4. **Minority Business Entrepreneurial Institute:** Funds will be used to increase the faculty's capacity to develop research proposals to increase minority business ventures in Prince George's County. **\$75,000**
5. **Stage, Theater, and Support Systems:** Funds will be used to enhance the Fine and Performing Arts Department's capacity to offer a first-rate theater major. Currently, the Department does not have the up-to-date equipment or facility for effectively engaging students in the performance and production aspects of theater. **\$150,000**
6. **Student Publications:** Funds will be used to assist the Communications Department in readying itself for its application for accreditation by the Accrediting Council on Education and Mass Communications (ACEJMC). Although the student newsletter and yearbook are University-wide communication tools for the students, they serve as specific training tools for the Journalism concentration. Currently, the Department does not have the type of facility nor equipment with which to provide the level of experience needed "to educate individuals who are able to cope with the rapid social and technological changes within our society and to access information, evaluate it critically, and codify it into effective messages for various audiences," as noted by the external reviewer in Fall 2001. **\$55,000**

◆ **Student Support Services**

1. **Counseling Services:** Funds will be used to support the office of Student Development and Psychological Services to augment the University's initiatives to promote student personal and educational success through activities that complement the formal academic programs. **\$85,000**
2. **Career Services and Cooperative Education:** Funds will be used to support the office of Career Services Specialist/International Student Advisor, a dual role that will enable the Office to develop a series of "senior year experiences" and to ensure compliance with programming for international students. **\$85,000**

If additional information is needed please do not hesitate to let me know. Thank you.

With best regards,

Cal W Lowe/wpm

Calvin W. Lowe
President

cc: Janice Doyle
Assistant Secretary for Finance Policy

**COPPIN STATE COLLEGE
MHEC ENHANCEMENT FUNDING REQUEST
FY 2004 (REVISED)**

The September 2001 Office for Civil Rights Report of the Independent Study Team on the Revitalization of Coppin State College calls for the advancement of Coppin in a number of ways. Coppin embraced these recommendations and further defines strategies for its advancement in a comprehensive strategic plan, Coppin State College in the 21st Century: an Emerging Presence. The request for \$2.125 million in FY 2004 enhancement funds will enable the College to move ahead with those strategies designed to address the historic under funding of capital and operational projects at Coppin. More importantly, the request for \$2.125 million in FY 2004 enhancement funds will enable Coppin to more quickly diversify its resources.

ENHANCE STUDENT SUCCESS (\$600,000)

It is imperative that Coppin continue to meet its enrollment projections over the next ten years. Funding guidelines for the College are based on the premise that it will aggressively grow its student enrollment. The OCR Report on the Revitalization of Coppin State College recommends that the enrollment grow to 3,748 FTE by 2011. The Report further recommends that the state increase operational funding for Coppin so that it can fully implement the recommendations found in the Noel-Levitz (2001) enrollment and financial aid study. The request for \$600,000 is needed so that the College can begin to fully implement the recommendations found in the 2001 Noel-Levitz enrollment and financial aid study.

- Fully implement the recommendations found in the recent Noel-Levitz enrollment and financial-aid study.
- Increase the enrollment from 4000 to 5000 students within ten years ensuring that the growth is related to increased retention efforts, academic and facility plans.
- Promote the multicultural nature of Maryland by enhancing diversity of the undergraduate student population based upon gender, race, age, and national origin.
- Diversify the undergraduate student mix by increasing the number of academically talented students, students living on-campus, eligible transfer students, adult learners, and students from other regions of Maryland and the nation looking for an urban educational experience.

Enrollment Services (Noel-Levitz Recommendations)	\$400,000
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- Development of additional publications for Admissions
- Redesign Admissions office to increase efficiency and services
- Acquisition of furniture to enhance efficiency and presentation of Admissions office
- Acquisition of banners and display units for College fairs
- Institute a document retrieval system to improve efficiency of operation in the following offices:
 - Financial Aid
 - Records
 - Admission

- Advisement
- Student Accounts Dept.

Publications/Media (Noel-Levitz Recommendation) \$200,000

- Printing of second half of departmental brochures
- Develop communication tools for parents and prospects
- Obtain Professional Services in Media Imaging

CONSTRUCT AND RENOVATE FACILITIES AND INFRASTRUCTURE (\$1.15 MILLION)

Capital Projects Pre-design Services \$580,000

The construction of new buildings addresses the growing campus population and an enhanced mission for the College. It also signifies the first time in over 20 years that there have been new buildings constructed on the campus. Timely infusion of capital funds and projects completion will positively affect Coppin's mission and its future ability to expand academic offerings, student support services and generally, a revitalized, more competitive presence for the College in the 21st century. However, before the College moves forward with facility design, it needs to complete pre-design services required by state agencies in order to provide critical documentation for construction activities. The College completed a new and updated Facilities Master Plan¹, approved by the Board of Regents in July 2002. Now Coppin needs to complete facility programs for each capital project (buildings, site, and utilities). Once these steps have been documented, project design can begin. These tasks are not generally funded as part of the state's appropriation for capital projects. Therefore, additional funds (\$580,000) in the operating budget are required to cover these essential pre-design services², and to cover the effort to continually maintain and update the results when they have been completed (i.e. facilities inventory and corresponding drawings, space utilization data, and facilities condition assessment).

- Continue to solicit funds to engage the pre-design services required by state agencies in order to provide requisite documentation for construction activities. This documentation includes surveys, condition reports, appraisals, environmental studies testing, land acquisition demolition, and utilities reports.

¹ This effort includes correlating facilities development with planned program growth or change, identifying desired types of facilities, etc.)

² In FY 2004 the Capital Projects pre-design services budget needs currently exceed \$2 millions dollars.

Facility & Security Equipment (Revitalization Study & Strategic Plan) \$570,000

Coppin State College students deserve all of the opportunities and advantages accorded other students in higher education in the State of Maryland. A vibrant, active, and enhanced student life program can begin to address past inequities and contribute to increased success among Coppin students. The educational experience is not complete without the services and programs designed to complement the academic mission. Moreover, the personal and academic challenges with which many CSC students enter require services and support that have traditionally extended beyond the classroom. Funds (\$570,000) are requested to further enhance student life at Coppin.

- Purchase vehicles to transport students and student organizations to off-campus co-curricular activities.
- Construct outdoor facilities to address the needs of physical education, athletics, recreation, and intramural activities.
- Continue to solicit funding to begin successful implementation of critical projects to integrate academic and student services strategic needs and priorities with physical resources in a timely fashion.
- Renovate auditorium to support theater department and studios, performance areas and other instructional spaces that do not now comply with the American with Disabilities Act.
- Purchase cutting edge equipment for science laboratories (Natural Sciences Department) to prepare students for the workforce and for graduate school.

LEVERAGE INFORMATION TECHNOLOGY (\$200,000)

Coppin expects to maximize its resources and improve the efficiency of its business processes by leveraging the usage of information technology. In order to upgrade its antiquated, unintegrated, unscalable financial, student services, and human resources computing systems to a web centric user friendly information system, Coppin adopted the People Soft software systems for all its mission critical information systems. The College is committed to the implementation of the PeopleSoft Enterprise Resource Planning system, Contributory Relation system, Customer Relation system, the Data Warehouse system, and PeopleSoft Portal Technology. The implementing, maintenance and support of People Soft systems represent a great financial challenge to the College. Accordingly, Coppin is requesting \$200,000 to enable successful implementation of these systems.

- Upgrade current student/administrative computing system(s) (PeopleSoft implementation). Funds will be used for licenses, consultant services, equipment and to back-fill staff positions serving on implementation teams.
- Utilize industry best practices to improve business processes and to provide access to information for students, faculty, and staff.

RESTRUCTURE AND STRENGTHEN ACADEMIC PROGRAMS (\$150,000)

Coppin, as it expands, can enhance its student mix by gradually increasing the number of academically talented students, on-campus residents, non-African-American students, adult students, and students from outside Baltimore, while continuing its strong emphasis on the underserved primarily from the city of Baltimore. To become attractive to a wider array of students, efforts must be initiated to promote programs that help the campus develop its urban niche. Coppin's academic mission has primarily been to educate the human services professionals that make a city run. Baltimore needs a continuing supply of teachers, social workers, nurses, and police officers. Coppin is requesting \$150,000 to restructure and strengthen academic programs in community health, social work, natural sciences, and computer science. Coppin also needs to add niche programs in each of these areas to serve evolving needs of urban communities.

- Initiate program studies in the following academic areas: School of Allied Health; Master of Social Work/Jurist Doctorate³; Cyber Technology and Security; and Digital Graphics Technology.
- Expand career choices in information technology, computer science, cyber technology, and security.
- Increase the academic infrastructure needed to accommodate expanded enrollment of the Generic Baccalaureate Nursing Program and to increase the number of graduates in the RN to BSN program.
- Increase the number of programs offered through distance learning.
- Develop comprehensive programs across the disciplines.
- Enhance the College's position in national database of top 50 institutions of higher education that confer degrees to African Americans.

DIVERSIFY FUNDING SOURCES (\$25,000)

Coppin intends to increase its external fundraising as a means to diversifying its revenue streams and providing additional non-state resources. \$25,000 is needed to develop an alumni database (Marts & Lundy's Recommendation). This initial investment will allow the College to more effectively target outreach to its alumni, asking those alumni who may have never been contacted or have not been contacted recently for support. The database will also allow the College to keep its alumni apprised of the many outstanding achievements of their peers and the students currently enrolled at Coppin. In general, an improved alumni database will enable the College to enhance both its fundraising capability and its ability to increase grants awards like Title III where data on alumni enrolled in graduate school, etc. are key to the formula used for determining the amount of awards.

³ This study is an outgrowth of Presidents' Battle and Bogomolny discussion about collaborative program opportunities.

- Diversify Coppin's sources of revenue by adding to the operating budget in the Division of Institutional Advancement to enhance its fundraising capability and its ability to secure grants and contracts.

CONCLUSION

The request for \$2.125 million in enhancement funding proposed here will enable Coppin to strengthen existing and add academic program offerings, enhance and improve student life programs, complete needed capital projects, leverage technology for more efficient administrative and student services, and diversify funding sources – all of which will aid the College's strive for excellence over the next five years. Finally, the receipt of \$2.125 in enhancement funds should significantly reduce the current discrepancy in resources between Coppin and its performance peer institutions.

“There can be no doubt that Coppin State College is an important institution – one that is vital to the University System and serves the interests of the State of Maryland and the City of Baltimore. More important, perhaps, is the fact that the College serves the interests of its community. The students of Coppin are not only in need of the enhancements described in this [request], but they are also deserving of them. Whether Coppin becomes the model of urban college education that it has the potential to be depends largely upon persistence of vision and commitment. Now, it is time for the state to provide the resources that will allow Coppin State College to continue – and expand – the work it has done throughout its history.”

September 2001 OCR Report of the Independent Study Team on the Revitalization of Coppin State College



UNIVERSITY OF MARYLAND EASTERN SHORE

OFFICE OF THE PRESIDENT

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May 8, 2003

Ms. Karen Johnson, J.D.
Secretary of Higher Education
Maryland Higher Education Commission
839 Bestgate Road, Suite 400
Annapolis, Maryland 21404-3013

Dear Secretary Johnson:

Please find enclosed the FY 2004 Proposed Enhancement Plan relative to the Office of Civil Rights (OCR) agreement. Recognizing that only one-time expenditures are allowed, we have proposed non-personnel type expenditures that will enhance the educational and support services at the University of Maryland Eastern Shore (UMES). A major emphasis has been placed on academic program enhancements and technology enhancements. Admission and Enrollment Management activity are also included. The Marts and Lundy, Inc. study made several recommendations relative to the creation and implementation of an institutional advancement directorate. The directorate was created during these austere fiscal times through the reallocation of existing resources. However, operating support is needed to generate those revenue sources that would provide perpetual funds to support the University's operating budget.

Upon your review of this request, please feel free to contact me or Dr. Ronnie E. Holden, Vice President for Administrative Affairs, for additional information or clarification.

Sincerely yours,

A handwritten signature in cursive script that reads "Thelma B. Thompson".

Thelma B. Thompson, Ph.D.
President

Enclosure

cc: Dr. William Kirwan

**University of Maryland Eastern Shore
FY 2004 Office of Civil Rights Enhancement Proposal**

The University of Maryland Eastern Shore (UMES) has identified four major categories for institutional enhancement activities. These four categories are academic program enhancement, technology infrastructure enhancement, admission and enrollment management and institutional advancement. Recognizing that the limitation of this request is for one-time operating expenditures only, we have optimized the requested allocation primarily to those items that have the most direct enhancement impact on the education of students. Please find detailed below a prioritized enhancement plan:

PRIORITY I ACADEMIC PROGRAM ENHANCEMENT

\$645,000

A significant support deficiency has been realized in several academic programs. Equipment, library books, periodicals and other print media will be procured to support most academic programs with particular emphasis on the undergraduate programs in Business, Management and Accounting, Physician Assistant, Math and Computer Science, Aviation Science, Exercise Science and Education; the masters programs in Criminal Justice and Rehabilitation Services; and the doctoral programs in Food Science and Organizational Leadership. Faculty development and retooling is also a focus that will be addressed. There are three academic programs that will be reviewed for accreditation in FY 2004. The department of Education will be reviewed for NCATE accreditation, the department of Business, Management and Accounting will be reviewed by AACSB, and the department of Math and Computer Science will be reviewed for accreditation. In an effort to enhance quality perceptions, accreditation should be sought over the next five years for all major academic programs. Publications, consultants and other support services will be needed to support this activity.

The allocation of these funds would enable UMES students to obtain increased exposure to the current information in their respective fields of study thereby enhancing their competitiveness in the global employment market.

PRIORITY II – TECHNOLOGY INFRASTRUCTURE ENHANCEMENT

\$1,278,743

UMES has made great strides toward providing a ubiquitous computing environment for its students. Previously, the University was able to upgrade a number of classrooms, provide port-to-pillow network access in its residence halls, distribute laptops to its full-time faculty, and implement several wireless segments on the campus. In FY 04, UMES will continue the process of transitioning from its current student information system to PeopleSoft's Student Administration and also anticipates a substantial increase in the number of students using wireless laptops on the campus. To this end, UMES is proposing to use the funds in a manner that will boost the campus' technology infrastructure to accommodate the expected increase in student, staff and faculty usage, PeopleSoft Implementation, Community Awareness, and Network Security. Each of these components is intimately tied to the success of the academic programs.

Information Technology Upgrades

UMES continues to try to minimize the effects of the digital divide. To this end, there will be a significant increase in the number of students using the campus wired and wireless networks. A number of data, video, and voice network enhancements will be required in order to improve the University's ability to attract academically talented students to the campus and to retain those who have already enrolled. The constant increase in usage of the campus network will require the University to improve its network and data security. The following resources are needed to improve access to the university network, enhance the university's ability to monitor network resources, and to provide redundancy for vital systems to maintain data integrity.

Tape Backup Upgrade	\$10,000
Exchange Server	\$50,000
Application Server	\$50,000
Network Sniffer	\$12,000
HPOpenView	\$15,000
Hard Drive Duplicator	\$5,000
Intrusion Detection	\$8,000
Anticipated UMATS cost increase	\$40,000
Server Upgrades/Management Software	\$25,000
AIMWorks for Phone Switch Management	\$70,000
CD Printer	\$3,000
Training for IT Staff	\$20,000
Memory Tester	\$2,000
Broadcast Studio Equipment	\$65,000
Faculty Computer Upgrades (135)	\$243,000
Smart Classrooms (7)	\$70,000
Computer laboratory upgrades	\$180,000
Miscellaneous equipment	<u>\$10,743</u>
Total Information Technology Upgrades	\$878,743

PeopleSoft Implementation

UMES is participating in the PeopleSoft implementation with other USM institutions. It is anticipated that this collaborative effort will substantially reduce the total implementation cost of the new student information system. The new Student Information System includes modules that provide tools to help improve the recruitment and retention of students, to streamline admissions processes, and to enhance faculty and student interactions (e.g., access to grades and advisement resources). However, to ensure a smooth and well-planned implementation, UMES procured the services of a consultant to help define the requirements of the project. The consulting firm (Cedar) also has previous experience implementing the software in a variety of environments and on a number of different platforms. This experience will also help to improve the campus implementation at UMES. In addition to the requisite consultant costs, UMES also has unmet needs in purchasing servers, licenses, and software maintenance contracts for this project.

Consultants (Cedar), equipment purchase, software contracts	\$400,000
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PRIORITY III – ADMISSIONS AND ENROLLMENT MANAGEMENT**\$400,000**

Although there is a need for human resources in both the undergraduate and graduate admissions and enrollment management areas, there is also a significant operational support need in the area of recruitment materials, publications, audiovisual presentations, travel and other related costs. An electronically automated record storage and retrieval systems is also requested to enable UMES to effectively and efficiently process and store student and other information that requires a file to be maintained for a significant period of time.

This effort would enable the University to recruit targeted students and provide the appropriate allocation to campus resources. The record storage and archival system would ensure the safety and availability of information maintained by the University.

PRIORITY IV – INSTITUTIONAL ADVANCEMENT**\$185,000**

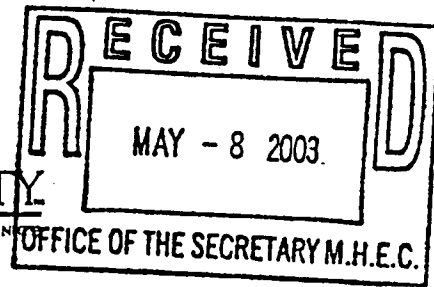
The University of Maryland Eastern Shore established a campus Institutional Advancement division as recommended by the Maryland Higher Education Commission's contracted Marts & Lundy, Inc. study. Funds would be allocated to support solicitation efforts, publications, potential donor research reports, audiovisual presentations, development consultancy, and other institutional advancement efforts.

This activity would enable the University to enhance its development initiatives. It would also assist in identifying potential donors and securing contributions, particularly endowment, and other ongoing revenue generating, as well as, one-time gifts.

TOTAL OFFICE OF CIVIL RIGHTS ENHANCEMENT PROPOSAL**\$2,508,743**

University of Maryland Eastern Shore
FY 2004 Office of Civil Rights Enhancement Proposal Summary
\$2,508,743

Enhancement	Expense	Anticipated Outcome
Academic Programs	\$645,000	a. Cultivate competitiveness in the global employment market b. Departmental Accreditation Managing for Results (MFR) Goal 2, Objective 2.1, 2.2, 2.3, 2.4 Goal 3, Objective 3.1, 3.2, 3.2, 3.3, 3.4 Goal 5, Objective 5.1
Technology Infrastructure	\$1,278,743	a. Improve network access b. Resume the rotation of academic computer replacement c. Provide support services for PeopleSoft implementation d. Networked online payment processor Managing for Results (MFR) Goal 1, Objective 1.1, 1.3 Goal 2, Objective 2.1, 2.2, 2.3, 2.4 Goal 3, Objective 3.1
Admissions and Enrollment Management	\$400,000	a. Realize enrollment increases in targeted areas b. Enhancing efficiency and effectiveness of the recruitment process Managing for Results (MFR) Goal 1, Objective 1.1 Goal 3, Objective 3.1, 3.2, 3.3 Goal 5, Objective 5.1, 5.2
Institutional Advancement	\$185,000	a. To develop a continuing source of revenue external to the general fund appropriation. Managing for Results (MFR) Goal 4, Objective 4.1, 4.2, 4.3



Office of the President

May 6, 2002

Secretary Karen R. Johnson, JED
Maryland Higher Education Commission
839 Bestgate Road, Suite 400
Annapolis, Maryland 21401-3013

Dear Secretary Johnson:

I am responding to your recent letter dated April 17, 2003 which informed the University of the \$5.5 million funding included in the State's FY 2004 Operating Budget for the enhancement of Maryland's Historically Black Colleges and Universities (HBCU). To assist in determining the allocation of this funding, the Commission has requested that the University submit an enhancement request for one-time expenditures.

Morgan State University is most appreciative of the State's assistance in working to accelerate its continued advancement. As we indicated in the past, recurring enhancement funding would facilitate the greatest opportunity for advancing the University. This is due to the fact that those issues that get to the core of the University's current needs such as: accommodating growth, reducing class sizes to improve retention and graduation rates, continued development of advance degree programs, etc., require added base funding. At the same time, the additional one-time funding will certainly benefit the University in addressing pressing needs that would otherwise only be accommodated by further constraining base budget operations for several years.

Provided below, in priority order, is the University's enhancement request for one-time funding for FY 2004:

1. **Boiler Plant Project**

Reimbursement for principal and interest payments \$606,547

2. **Network Upgrade**

Payoff outstanding cost of installation of a reliable network backbone \$1,427,825

3. **Software Implementation**

Consulting assistance and training costs \$1,511,160

4. **Equipment for New Facility**

Operating equipment for Richard N. Dixon Science Research Facility \$798,000

5. **Science Teaching Lab and Offices**

Reconfigure space in the science complex for a teaching lab & faculty offices \$702,000

TOTAL REQUEST \$5,455,320

Provided below is additional information on each requested item:

Boiler Plant Project (\$606,547)

The State will be providing \$6 million of enhancement funding for principal and interest payments associated with approximately \$75 million of capital improvements at HBCUs. Morgan was allocated \$4.5 million of this amount for the renovation of its boiler plant. It issued \$4.4 million of academic revenue bonds on January 9, 2002. The required first year reimbursement is \$606,547. The principal and interest payments for all subsequent years of the 20-year obligation will average \$344,000. The higher payment in the first year is to address an accounting timing issue in which \$260,516 had to be disbursed in FY 2003 for a payment due on July 1 of FY 2004. In addition, the University must process two disbursements in FY 2004 totaling \$346,031. For all subsequent years, the University's cash disbursement associated with two scheduled payments and the State's corresponding reimbursement will match within each fiscal year.

Network Upgrade (1,427,825)

The University had to move forward with the installation of a reliable backbone and voice system upgrade since the previous system was very unreliable and was not able to support future growth. Although essential, the cost has severely taxed the University's operations, particularly as it has had to adjust to State support reductions. Of the \$4.4 million one-time cost, the University expended \$2.2 million of its dwindling fund balance. The balance (\$2.2) was financed. For FY 2003, \$772,175 was allocated to reduce the principal payment. An additional \$1.4 million allocation is requested to enable this enhancement to be paid for so that the currently encumbered base budget resources can be returned in support of the academic programs.

Software Implementation (\$1,511,160)

The current administrative information services software system, in various versions, has served the University for the past 18 years. The University's academic, administrative and student support functions can, however, be much more effective, once a more up-to-date user-friendly information processing system is purchased and appropriately implemented at the University. Due to the importance of the institution's ability to continue to provide competitive support services, it has contracted for the purchase and implementation of a Banner administrative software system. The University has built into its base budget the license fee and added recurring maintenance cost of this system. The one-time consulting, training, and release time costs to implement this new system total \$1,511,160. The implementation will span over a two-year period.

Equipment for New Facility (\$798,000)

The construction of the new Richard N. Dixon Science Research Facility and Greenhouse will be completed this fall. Several years ago, the University had identified the need for \$798,000 of operating equipment requirements in support of this facility. Due to the fact that the University, as well as higher education overall, has had to address State support reductions, it has not been able to identify funding to purchase this much needed equipment.

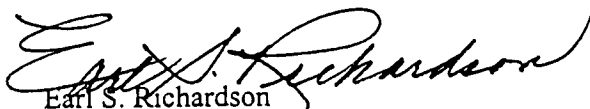
Science Teaching Lab and Faculty Offices (\$702,000)

The University is requesting funds to reconfigure space in the Science Complex to accommodate a teaching lab and offices. Since the completion of the Science Complex in 1992, there has been a tremendous growth in enrollments and in research activity in the Life Sciences. The University is struggling to keep pace and has relocated and reconfigured space to meet increasing needs; however, the Science Complex is still extremely overcrowded. In some cases, classes are overflowing into the hallways and as many as seven faculty members are sharing a single office space. Based on the space planning guidelines, the University is deficient and will still be deficient in laboratory and office space when the new Science Research Building opens in the fall. These deficiencies are projected to grow even with the completion of the projects planned over the next 10 years.

We look forward to your response, with respect to the amount of enhancement funds that will be available to Morgan State University in support of the aforementioned needs.

Please feel free to contact me or Mr. Abraham Moore, Vice President for Finance and Management, at (443) 885-3144, should you require additional information.

Sincerely,


Earl S. Richardson
President

cc: Senator Ulysses Currie
Senator Patrick J. Hogan
Delegate James E. Proctor, Jr.
Delegate Howard P. Rawlings
Abraham Moore

APPENDIX B

Morgan State University 2003 Series B Bond Payment Schedule

Payment Requirement	Date Due	Amount Due	State Payment Due Date	Fund Source
Principle and Interest	Jul-03	\$ 260,515.63	Jul-03	FY 2004
Interest	Jan-04	85,515.63	Jan-04	FY 2004
Sub-total		\$ 346,031.26		
Principle and Interest	Jul-04	\$ 260,515.63	Jul-04	FY 2005
Interest	Jan-05	83,765.63	Jan-05	FY 2005
Sub-total		\$ 344,281.26		
Principle and Interest	Jul-05	\$ 263,765.63	Jul-05	FY 2006
Interest	Jan-06	82,015.63	Jan-06	FY 2006
Sub-total		\$ 345,781.26		
Principle and Interest	Jul-06	\$ 267,015.63	Jul-06	FY 2007
Interest	Jan-07	80,215.63	Jan-07	FY 2007
Sub-total		\$ 347,231.26		
Principle and Interest	Jul-07	\$ 270,215.63	Jul-07	FY 2008
Interest	Jan-08	78,134.38	Jan-08	FY 2008
Sub-total		\$ 348,350.01		
Principle and Interest	Jul-08	\$ 273,134.38	Jul-08	FY 2009
Interest	Jan-09	75,616.88	Jan-09	FY 2009
Sub-total		\$ 348,751.26		
Principle and Interest	Jul-09	\$ 275,616.88	Jul-09	FY 2010
Interest	Jan-10	72,691.88	Jan-10	FY 2010
Sub-total		\$ 348,308.76		
Principle and Interest	Jul-10	\$ 277,691.88	Jul-10	FY 2011
Interest	Jan-11	69,441.88	Jan-11	FY 2011
Sub-total		\$ 347,133.76		

Appendix B. Morgan State University
2003 Series B Bond Payment Schedule (Continued)

Payment Requirement	Date Due	Amount Due	State Payment Due Date	Fund Source
Principle and Interest	Jul-11	\$ 284,441.88	Jul-11	FY 2012
Interest	Jan-12	65,854.38	Jan-12	FY 2012
Sub-total		\$ 350,296.26		
Principle and Interest	Jul-12	\$ 285,854.38	Jul-12	FY 2013
Interest	Jan-13	61,957.50	Jan-13	FY 2013
Sub-total		\$ 347,811.88		
Principle and Interest	Jul-13	\$ 291,957.50	Jul-13	FY 2014
Interest	Jan-14	57,832.50	Jan-14	FY 2014
Sub-total		\$ 349,790.00		
Principle and Interest	Jul-14	\$ 292,832.50	Jul-14	FY 2015
Interest	Jan-15	53,347.50	Jan-15	FY 2015
Sub-total		\$ 346,180.00		
Principle and Interest	Jul-15	\$ 298,347.50	Jul-15	FY 2016
Interest	Jan-16	48,647.50	Jan-16	FY 2016
Sub-total		\$ 346,995.00		
Principle and Interest	Jul-16	\$ 303,647.50	Jul-16	FY 2017
Interest	Jan-17	43,625.00	Jan-17	FY 2017
Sub-total		\$ 347,272.50		
Principle and Interest	Jul-17	\$ 313,625.00	Jul-17	FY 2018
Interest	Jan-18	37,250.00	Jan-18	FY 2018
Sub-total		\$ 350,875.00		
Principle and Interest	Jul-18	\$ 322,250.00	Jul-18	FY 2019
Interest	Jan-19	30,500.00	Jan-19	FY 2019
Sub-total		\$ 352,750.00		

Appendix B. Morgan State University
2003 Series B Bond Payment Schedule (Continued)

Payment Requirement	Date Due	Amount Due	State Payment Due Date	Fund Source
Principle and Interest	Jul-19	\$ 325,500.00	Jul-19	FY 2020
Interest	Jan-20	23,375.00	Jan-20	FY 2020
Sub-total		\$ 348,875.00		
Principle and Interest	Jul-20	\$ 333,375.00	Jul-20	FY 2021
Interest	Jan-21	16,000.00	Jan-21	FY 2021
Sub-total		\$ 349,375.00		
Principle and Interest	Jul-21	\$ 346,000.00	Jul-21	FY 2022
Interest	Jan-22	8,250.00	Jan-22	FY 2022
Sub-total		\$ 354,250.00		
Interest	Jul-22	\$ 8,250.00	Jul-22	FY 2023
		Total Debt Service	\$ 6,628,589.47	

